



**CITY OF SAN DIEGO  
COUNCILMEMBER SHERRI S. LIGHTNER  
DISTRICT ONE**

**MEMORANDUM**

DATE: February 16, 2010 DTID: SL1002-005

TO: Mayor Jerry Sanders

FROM: Councilmember Sherri S. Lightner

SUBJECT: North University City FBA Review & Update

---

I respectfully request that a review and update of the North University City Public Facilities Financing Plan (PFFP) and Facilities Benefit Assessment (FBA) Fund begin immediately. This request is also supported by the University Community Planning Group (see attached letter).

**The FBA provides funding for critical transportation improvements, such as the interchanges at I-5/Genesee and I-805/La Jolla Village Drive, as well as two additional fire stations in University City. The current financial state of the FBA puts the future of these projects in jeopardy.** Only by reviewing and updating the PFFP and the FBA can we ensure that there will be funds available to complete these top priority transportation and public safety projects.

The FBA Ordinance of the Municipal Code (Section 61.2212) provides for an annual adjustment of facilities benefit assessments. In addition, the PFFP states that “any slowdown in community development will require a modification to the schedule in which needed facilities are planned.”

A development slowdown is clearly shown by comparing actual to anticipated FBA contributions for the past two years (Table 1).

*Table 1: NUC FBA Contributions: Anticipated vs. Actual*

Fiscal Year	2009	2010
<b>Anticipated</b>	<b>\$9,720,448</b>	<b>\$24,479,739</b>
<b>Actual</b>	<b>\$552,000</b>	<b>\$7,000<sup>1</sup></b>

<sup>1</sup> July – October 2009

As a result of the economic slowdown, the current net fund balance is \$3,439,563 (revenues less FBA contributions). What this figure does not show is that an additional \$14,600,000 is encumbered for the widening of the Genesee Avenue/I-5 overcrossing due to a lack of current revenues. **When this figure is included, the balance of the fund is -\$11,160,437.**

Based on the new reality that FBA funds may not materialize as quickly as previously anticipated, the PFFP must be reprioritized to ensure that all projects—including major improvements to public safety—will be able to be paid for by the FBA.

Some have raised concerns that a new FBA fee schedule would adversely affect builders by increasing their construction costs. However, the Council recently approved measures helpful to the building industry, including deferral of developer impact and FBA fees.

There is no better time than during an economic downturn and a pause in development activity to review and refine our planning going forward. The PFFP provides funding for the administrative costs associated with the development, implementation, and operation of the FBA program, so the review would result in no cost to the City's General Fund.

In conclusion, there are numerous public benefits to reviewing both the PFFP and the FBA now. North University City's infrastructure needs and their associated costs should be updated, and the prioritization of those needs should be adjusted to account for the anticipated timeline for FBA fund availability. If the requested review and update is not to occur immediately, I respectfully request a timeline of when the long-needed review and update will occur.

SL/jm

Attachment

cc: Honorable Councilmembers  
William Anderson, CP&CI Director  
Javier Mainar, San Diego Fire-Rescue Chief  
Pam Bernasconi, CP&CI Supervising Management Analyst  
University Community Planning Group